

Message Text

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ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-08 FRB-03
INR-10 NSAE-00 ICA-11 XMB-02 OPIC-03 SP-02 LAB-04
SIL-01 OMB-01 CEA-01 STR-07 IO-13 AGRE-00 DODE-00
PM-05 H-01 L-03 NSC-05 PA-01 SS-15 /114 W
-----130878 071201Z /42

R 071131Z SEP 78
FM AMEMBASSY BONN
TO SECSTATE WASHDC 1660
DEPARTMENT TREASURY
INFO AMEMBASSY BRUSSELS
AMEMBASSY PARIS

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USEEC AND USOECD ALSO FOR EMBASSIES

E.O. 11652: N/A
TAGS: ECON EFIN GW
SUBJECT: INDUSTRIAL PRODUCTION PICKS UP;
NEW ORDERS DROP SLIGHTLY

1. THE OVERALL BUNDES BANK INDUSTRIAL PRODUCTION INDEX (SEASONALLY ADJUSTED; 1970 EQUALS 100) FOR JUNE WAS REVISED UPWARD FROM A PRELIMINARY 114 TO 116. IN JULY THE INDEX JUMPED TO 120, ACCORDING TO PRELIMINARY FIGURES, AND NOW STANDS 6.2 PERCENT ABOVE THE MARCH LEVEL. INDUSTRIAL PRODUCTION IN JUNE/JULY THUS EXCEEDED APRIL/MAY LEVELS BY 3.5 PERCENT.

2. THE PRELIMINARY JULY FIGURES MAY HAVE BEEN BOOSTED BY INCIDENTAL INFLUENCES, SUCH AS A TENDENCY TOWARD LATER THAN USUAL CLOSE-DOWN OF PLANTS FOR SUMMER VACATIONS, PARTICULARLY IN THE AUTOMOBILE INDUSTRY. THIS MIGHT HAVE INFLATED JULY RESULTS AT THE EXPENSE OF

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OUTPUT IN AUGUST. IN ADDITION, OF COURSE, GERMAN PRODUCTION AND ORDER FIGURES HAVE RECENTLY BEEN SUBJECT TO SUCH RADICAL REVISIONS THAT IT IS HAZARDOUS TO BASE FIRM CONCLUSIONS ON THE LATEST JUMP IN PRODUCTION FIGURES.

3. THE SEASONALLY ADJUSTED OVERALL INDEX OF THE VOLUME

OF NEW ORDERS (1970 EQUALS 100) FOR JUNE WAS REVISED UPWARD. THE JUNE INDEX NOW STANDS AT 115 INSTEAD OF THE PREVIOUS 112. IN JULY THE INDEX DROPPED SLIGHTLY TO 114, ACCORDING TO PRELIMINARY FIGURES, AS A FURTHER INCREASE OF DOMESTIC ORDERS WAS OVERCOMPENSATED BY A DECLINE OF FOREIGN ORDERS.

4. TABLES DETAILING THE FOREGOING ARE APPENDED.

TABLE I
INDUSTRIAL PRODUCTION INDEX
SEASONALLY ADJUSTED (1970 EQUALS 100)

1978	TOTAL	CONSTRUCTION
JAN	118	102
FEB	113	87
MARCH	113	97
APRIL	115	104
MAY	113	99
JUNE	116	103
JULY	120	105

TABLE II
INDUSTRIAL PRODUCTION INDEX
SEASONALLY ADJUSTED (1970 EQUALS 100)
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1978	MANUFACTURING 1/	CAPITAL GOODS	CONSUMER GOODS
JAN	118	119	117
FEB	114	114	113
MARCH	114	110	113
APRIL	114	111	115
MAY	113	109	111
JUNE	117	116	117
JULY	121	124	116

1/ ALL INDUSTRIES EXCEPT
CONSTRUCTION, MINING
AND ELECTRICITY AND
GAS SUPPLIERS.

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FM AMEMBASSY BONN

TO SECSTATE WASHDC 1661

DEPARTMENT TREASURY

INFO AMEMBASSY BRUSSELS

AMEMBASSY PARIS

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TABLE III

NEW ORDERS VOLUME

SEASONALLY ADJUSTED (1970 EQUALS 100)

1978 TOTAL DOMESTIC FOREIGN

	TOTAL	DOMESTIC	FOREIGN
JAN	114	107	141
FEB	112	102	141
MARCH	113	102	150
APRIL	114	105	142
MAY	112	101	144
JUNE	115	105	146
JULY	114	107	143

TABLE IV

DOMESTIC CAPITAL AND CONSUMER GOODS

NEW ORDERS VOLUME

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SEASONALLY ADJUSTED (1970 EQUALS 100)

1978 CAPITAL GOODS CONSUMER GOODS

	CAPITAL GOODS	CONSUMER GOODS
JAN	111	109
FEB	102	102
MARCH	103	101
APRIL	107	106
MAY	103	99
JUNE	107	105
JULY	107	112

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Message Attributes

Automatic Decaptoning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: INDUSTRIAL PRODUCTION, DATA, ECONOMIC CONDITIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 07 sep 1978
Decapton Date: 01 jan 1960
Decapton Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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ISecure: 1
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Litigation History:
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TAGS: ECON, EFIN, GE
To: STATE TRSY MULTIPLE
Type: TE
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